



About Janesville.... With 2,611 acres of parkland, 65 improved parks, and 31 miles of paved bike trails, Janesville is Wisconsin's Park Place. Janesville is located on the Rock River in the rolling hills of scenic south central Wisconsin. Founded in 1836, Janesville has a long history of strong industry and economic resiliency, which has helped turn the community into a major commercial and industrial center for the Stateline area.

About the City of Janesville... The City's mission is to innovatively provide effective municipal services that are responsive to the needs of residents, businesses, and visitors and delivered in a reliable, efficient manner in order to sustain Janesville as the community of choice. As Wisconsin's first city to operate under the council-manager form of government, the City of Janesville has a professional staff managing the full spectrum of municipal services. Key service statistics from 2019 include:

- Calls for fire / EMS service: 10,252
- Police Department activities: 66,510
- Recreation program participants: 278,590
- Miles of street rehabilitated: 12.5
- Potholes filled: 8,791
- Bus rides provided: 455,317
- Water meters installed: 1,986
- Square feet of new industrial and residential building spurred by City assistance: 671,606
- Building permits for new homes issued: 97
- Families assisted through the Rent Assistance Program: 509

2021 Legislative Agenda

Federal Priorities

ISSUE 1: Increased Support for Transportation

Federal programs and funding are essential for local street, bridge, transit, bicycle / pedestrian, and interstate improvements. Janesville has been able to better plan for and advance much needed local, state, and federal road projects by maintaining programs and funding shares through the Fixing America's Surface Transportation (FAST) Act. We are hopeful this dedicated funding source will continue and increase in 2021. We urge Congress to continue prioritizing transportation by fully funding Wisconsin's transportation priorities and returning Wisconsin's fair share of federal dollars, as Wisconsin is among the bottom in terms of state budgets supported by federal funding. We also ask Congress to assure the long-term health of the Highway Trust Fund by allowing the federal fuel tax to be indexed to inflation. The current federal fuel tax has not been adjusted since 1993. Finally, we request that federal and state dollars continue to prioritize connecting highways that are highly traveled and require rehabilitation.

ISSUE 2: Continued Support for Public Transit

The Janesville Transit System (JTS) meets the transportation needs of the public by providing daily bus service within Janesville and regionally, allowing citizens to get to work, school, and essential services such as healthcare. Federal funding is vital to support JTS' capital needs and daily operations. We are appreciative of Janesville's recent receipt of capital funding which allowed us to replace our fleet of buses that were past their useful lives in years and miles. Additionally, we are grateful for the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding distributed through the Federal Transit Administration and are putting these dollars to good use. Thank you for continuing to prioritize public transit, which meets the critical needs of our most vulnerable populations.

ISSUE 3: Support & Flexibility for Housing & Community Development Programs

Federally-backed housing and community development programs are critical to assist Janesville's citizens and to support the local economy. The Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) programs are essential in countless communities across the country, including Janesville. These programs help revitalize neighborhoods, encourage home ownership, improve housing quality, improve fair housing opportunities, provide employment opportunities, and provide low- and moderate-income residents with decent, safe and affordable housing. We are appreciative of funding allocated to these vital programs through the CARES Act, which allows us to assist the individuals and families most affected by the pandemic. However, we request that Fair Housing activities be allowed under the CDBG program as a non-administrative eligible program expense, so that additional resources may be allocated to promoting fair housing through increased education, legal advocacy and enforcement measures. Administrative funding under the CDBG and HOME Programs is capped and as a result is insufficient to drive meaningful fair housing actions. We also request that Congress establishes a task force to evaluate these programs and explore means of reducing regulatory requirements to make it easier to use these funds to address the nation's affordable housing crisis. Through the Housing Choice Voucher (HCV) Rent Assistance Program, the City assists approximately 500 families each month, providing an essential safety net for low-income families. The families assisted in Janesville have an average income of \$11,959 a year, and 66% of those receive Supplemental Security Income (SSI), Social Security, or Pension income. Eligible applicants are waiting several years for assistance. Administrative fees for the HCV program are insufficient to operate the program in a manner that truly supports and encourages family self-sufficiency. Administrative fees have declined from a 93% pro-rata in 2010 to 79% in 2020. The City requests that Congress increase Housing Assistance Payment (HAP) funding to assist more families in need and increase administrative funding to 100% of fee eligibility so services can be provided more effectively.

Please contact the City Manager's Office to discuss these items further: (608) 755-3177

State Priorities

ISSUE 1: Restoration of Fiscal Local Control

Municipalities provide essential services such as public safety, water and wastewater systems, and paved and plowed streets. Despite the great responsibility municipalities assume, the State has stripped the local ability to generate revenue in order to keep up with rising costs and meet citizen expectations.

- **Levy limits** hinder a municipality's ability to provide services that grow in cost faster than the increased property value from net new construction. Fiscally prudent municipalities like Janesville, where the equalized property tax rate is second lowest and the property tax per capita is fourth lowest among our 14 peers, are especially disadvantaged by levy limits.
- **Expenditure Restraint Program (ERP):** The State allows municipalities to exceed their levy limit if voters approve an increase via referendum; however, that increase is not exempt from the ERP calculation. This means municipalities with successful referendums lose State aid if they increase their budget greater than their ERP limit. This is counterintuitive to the referendum process. If Janesville voters approve a referendum to exceed the levy limit in order to rehabilitate more roads, the City is at risk of losing \$1,397,000 in aid.
- **Local Option Sales Tax:** Many states with levy restrictions allow municipalities to levy a sales tax to lessen their reliance on State aid and property tax. Like Wisconsin counties, municipalities should be able to implement sales tax. We estimate that in 2020, a 0.5 percent sales tax in Janesville would have generated \$9.6 million in revenue for the City, paid in portion by non-residents that use services in Janesville, the economic hub in our region.

Please restore local fiscal control by 1) either removing levy limits or allowing municipalities to increase their levies by a maximum of inflation plus net new construction; 2) exempting any budgetary increase for a successful referendum from the ERP limit calculation; and 3) giving municipalities the ability to implement a 0.5 percent local option sales tax.

ISSUE 2: Fair and Equitable Distribution of State Shared Revenue

The State's 2017-2019 Biennial Budget included an increase in the ERP payment to Janesville from 2018—2022. This increase acknowledged the inequitable method for the distribution of shared revenue and has allowed the City to address critical budget shortfalls. However, with the additional funding, Janesville still receives only \$681 per capita in property tax and shared revenue combined, the lowest of our peers and \$158 lower than the average of \$839 per capita. The City of Janesville is a fiscally-responsible steward of taxpayer dollars with the fourth lowest property tax per capita among our 14 peer communities. State Shared Revenue is vital to our ability to provide public services to our citizens and should be distributed among municipalities in a fair and equitable manner. If Janesville received State Shared Revenue that was equal to that of the **average** peer city, it would equate to an increase of nearly \$5.6 million each year, doubling Janesville's current distribution. We request that the legislature "unfreeze" and annually recalculate Shared Revenue, allowing for factors such as population and assessed value growth to determine distribution.

ISSUE 3: Fully Fund the Payment for Municipal Services Program

The Municipal Services Program provides communities with an annual payment for critical services used by State facilities in the prior calendar year, including police, fire, and solid waste collection. The purpose of the program is to aid in the reduction of local property taxes by ensuring the State pays its fair share for services provided. The 2021 program is funded at only 34.6% of eligible municipal expenses, the smallest share on record, meaning property taxpayers will pay the remaining two-thirds of the State's costs. If this program were fully funded, the City of Janesville would receive about \$186,000 in additional revenue, the equivalent of two fully-encumbered police officers or firefighters. With Janesville and other municipalities constrained by other State-imposed limits, the Payment for Municipal Services Program should be fully funded.

ISSUE 4: Provide Incentives for Electric Vehicle Charging Stations

Some of Wisconsin's neighboring states, including Iowa and Minnesota, offer incentive programs for the installation of electric vehicle charging facilities. As a result, businesses such as Kwik Trip have indicated that they are considering adding charging stations to new stores in those states, but not in their Wisconsin stores. 2019 Assembly Bill 233 proposed establishing a grant program for businesses to install electric vehicle charging facilities; however this bill failed to make it through the legislative process. We encourage you to revisit and reintroduce this bill in 2021, and set Wisconsin up for success in attracting private investment, encouraging alternative energy sources, and building infrastructure that keeps up with the shifting energy environment.

Please contact the City Manager's Office to discuss these items further: (608) 755-3177